



# Newsline Eight



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## SBA's Monthly News Update

*-Serving Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming-*

Newsline Eight is circulated to our resource and lending partners by SBA's Region Eight Office  
721 19<sup>th</sup> Street, Suite 400, Denver, Colorado 80202.

**Elton W. Ringsak, Regional Administrator**

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**Larry Kiefer, FITS**

## Happy Holidays from the Region Eight Office.....



**Happy holidays from the Region Eight Office!** Fiscal Year 2006 was a GREAT year in Region Eight. Our six district offices approved 6,007 guaranteed loans worth \$1.1 BILLION – a seven percent increase over FY 2005! We are especially proud of our lending programs which created or retained over 20,000 jobs in our region last year. Throughout Region Eight, the SBA continues to advocate for entrepreneurs and the communities they live and work in. The SBA's many programs and services play a critical role in creating quality jobs in your community. This agency has accomplished all this economic development

success with a smaller staff and a fiscally tight budget. Talk about the best bang for your buck - the American tax payer continues to receive an incredible value in the services provided by the Small Business Administration. This has all been made possible by the dedicated SBA employees who continue to provide first-class customer service to the people they serve. Since becoming Regional Administrator, I have made it my priority to listen to our customers – our lenders, SBA district office staff, community leaders, small business owners, and local, county, state and federal elected officials. All of whom now have even larger expectations for what the SBA will do in 2007. I have learned through my travels - over the last 5 years (some 180,000 miles on the road) - that the SBA is highly respected and appreciated for what it does. There is a huge cadre of individuals - in the six states that comprise Region VIII - that help evangelize our message. From the local entrepreneur that has found business success with the help of an SBA loan; to the rural county commissioner that sees our economic development programs as a way to save their downtown business district; to the many local, state, and national elected officials that understand that the SBA is one of the bet deals in government. All of us at the SBA truly appreciate the support we get from the pubic each and every day. The Region Eight office wishes you and your family a safe and happy holiday, and a very prosperous 2007.

**- Mick Ringsak, Chris Chavez, Carol Helm, Jim Henderson, Larry Kiefer**

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**"In Your Corner" by Jim Henderson, Small Business Advocate**

**Use of Credit Scoring Increases Small Business Access to Capital.**

The use of credit scoring by banks for consumer loans has been commonplace for quite some time, but its use for small business loans is a more recent phenomenon. A new study finds that banks increase their investment in small business loans relative to total loans over time following the adoption of small business credit scoring. The report also confirms that the power of personal relationships continue to be the dominant factor in banks' decisions to lend to small businesses. "The report documents how the use of credit scoring can lead to risk-based pricing of loans which 'democratizes' lending, meaning that riskier loans can now be made to start-ups or small business owners with little credit history," said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. Written by Drs. Charles and Adrian Cowan with funding from the Office of Advocacy, *A Survey Based Assessment of Financial Institution Use of Credit Scoring for Small Business Lending*, shows that banks, particularly those in urban areas, are moving towards the use of both owner and business credit scoring as a key metric in the small business loan decision. While the use of credit scoring is not yet universal the study reports that nearly half the banks surveyed are now using some form of credit scoring for small business lending. More importantly, there are clear indications that credit scoring may be providing more borrowing opportunities to small businesses. To view or to download the full credit scoring study, please go to <http://www.sba.gov/advo/research/rs283tot.pdf>



**District Office Reports: Your SBA Event Planner**



**Colorado – FREE "Telecommunications 101" class to be held in**

**Denver.** The SBA, SCORE, and Qwest Communications is sponsoring this half-day training course in Denver on Thursday, December 7<sup>th</sup> from 9:00 am to 11:00 am in the SBA's Denver District Office, 721 19<sup>th</sup> Street, Suite, 426, Denver, CO. This class is developed to help small business people identify common telecom needs and avoid common costly mistakes. Topics

covered include "phone lines – the basics", "Fax Lines", "Digital Lines – why you need them", Cell phones and your business, and how to effectively use your Blackberry. This class is free, but space is limited. To register, call SCORE at 303-844-3985.

**Montana – Lender Training Session on Debt Refinancing and Lines of Credit scheduled for December 14<sup>th</sup>.**

The SBA will conduct this Ready Talk training session on Thursday, December 14<sup>th</sup>, from 8:30 a.m. – 9:30 a.m. Lender Relations Specialist John Donovan and District Counsel Michael Bayuk will discuss SBA's policies regarding debt refinancing and will also provide an informational overview of SBA's Caplines Program and other guaranteed lines of credit options. Anyone interested in participating should call toll free (866) 740.1260 and enter access code 3088501. To log onto the internet portion, go to <http://readytalk.com> and click on "join a conference", then enter access code 3088501. For more information, call the SBA's Montana District Office at 406-441-1081.





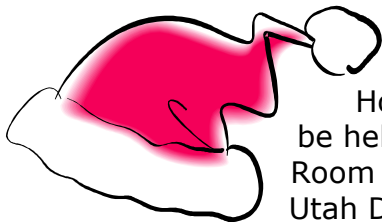
**North Dakota -- Start-Up Business Planning Class to be held in Fargo on December 13<sup>th</sup>.**

Got a great business idea? What to be your own boss? If your answer is yes – then you need to attend this class. Learn all the basic steps to starting your own business. Offered by SBDC and delivered by SCORE business counselors this class will cover topics including: Business Planning; SWOT Analysis; Business Registration / Legal Structure; and Credit & Financing. Plus each attendee gets a valuable resource guide for starting a business in North Dakota. This class is offered every Wednesday from 1:00-2:00 PM at 51 N Broadway Ste #505, in Fargo. The cost is FREE and is

open to ND and MN residents. Call 701-239-5677 to register.

**South Dakota – “Is Small Business Ownership for You?”**

**Training class to be held December 14<sup>th</sup> in Rapid City.** Learn everything you need to know about starting a small business in South Dakota. Experts will be on hand to answer your questions throughout the entire training session. This event will be held from 11:30am-1:00pm on December 14<sup>th</sup> at the Black Hill Business Development Center Conference Room in Rapid City. The cost is \$5, which includes lunch. Pre-register by calling 605-394-5311 or on-line at <http://www.usd.edu/sbdc/registration.cfm>.



**Utah – SBA Holiday Party to be held on Thursday, December 14<sup>th</sup>.**

The Utah District Office will host their annual Holiday Open House on Thursday, December 14<sup>th</sup>. This event will be held at SBA's Utah District Office located at 125 South State Street, Room 227, Salt Lake City, from 1:30 pm to 3:00 pm. Traditionally the Utah District employees host this event to thank lenders, resource

partners and community leaders and special homemade goodies, entertainment and holiday cheer adds to the celebration. For more information regarding the Holiday Open House, please contact Georgia Yoshida at (801) 524-3217

**Wyoming – Transitional Assistance Training at F.E. Warren**

**AFB.** The Wyoming District Office Veterans Affairs Officer, Dave Denke, will give a 30-minute presentation to attendees at the Transitional Assistance Program (TAP) at F. E. Warren Air Force Base in Cheyenne, WY on December 21st. He will discuss SBA's various programs and services. Special emphasis will be given to persons leaving active military duty. For more information please contact SBA's Dave Denke at (307) 261-6523 or email him at [david.denke@sba.gov](mailto:david.denke@sba.gov).

